

VZCZCXRO1055  
RR RUEHAG RUEHAST RUEHDA RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA RUEHLN  
RUEHLZ RUEHPOD RUEHROV RUEHSR RUEHVK RUEHYG  
DE RUEHTH #1360/01 2690412  
ZNR UUUUU ZZH  
R 250412Z SEP 08  
FM AMEMBASSY ATHENS  
TO RUEHC/SECSTATE WASHDC 2546  
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE  
RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
RUEHIK/AMCONSUL THESSALONIKI 1948

UNCLAS SECTION 01 OF 04 ATHENS 001360

SIPDIS

DEPT FOR EUR/SE - IGOODMAN  
DEPT FOR EEB/TPP/IPE - JURBAN  
DEPT PASS TO USDOC - HILLEARY SMITH  
DEPT PASS TO USTR - LESLIE YANG  
DEPT PASS TO USPTO - MSMITH

E.O. 12958: N/A  
TAGS: [ECON](#) [ETRD](#) [KIPR](#) [GR](#) [PREL](#)  
SUBJECT: GREECE AND IPR - VISIT BY USDOC

REF: ATHENS 001350

ATHENS 00001360 001.2 OF 004

-----  
Summary  
-----

[1](#)1. (SBU) The GoG and Greek industry IPR representatives painted a complex picture of GoG progress on IPR, illustrating mild improvements, following Greece's listing on the 2008 Special 301 Watch List. During the September 8-10 visit of Department of Commerce Hilleary Smith, government representatives from the MFA, the Hellenic Copyright Office (OPI), and the Special Tax Police (YPPE) highlighted the newly-formed Inter-Ministerial Committee as key to developing and implementing initiatives targeted to improve its record on IPR issues. Separately, industry representatives cited a slow pace of reforms and continued lack of concrete enforcement actions as hindering progress. End Summary.

-----  
Meeting With MFA: Getting the GoG on Board  
-----

[1](#)2. (SBU) Greg Vassilokonstandakis, Director of the MFA,s Division for North America and Christina Argiropoulou, Second Secretary in the MFA,s General Secretariat for Economic and Commercial Affairs, briefed Smith on the status of the GoG,s Inter-Ministerial Committee (IMC) on IPR issues on September [1](#)8. (Note: Created in April by an MFA decree, the IMC is chaired by the Secretary General of the MFA,s General Secretariat for Economic and Commercial Affairs and includes members at the SecGen level from the Ministries of Development, Culture, Interior, Justice, Customs, and Finance. According to the GoG, the IMC will coordinate the GoG,s efforts on all IPR issues, including enforcement. End Note.) Vassilokonstandakis said the IMC has met twice since April and will meet once again before year-end. He explained that these meetings will be prepared by new working groups tasked with developing a work plan, making proposals to the IMC, and reporting back to the IMC. (Note: For additional details, see ATHENS 001350 on meeting between DCM and MFA SecGen Skylakakis. End Note.)

[1](#)3. (SBU) The working groups, according to Argiropoulou, will meet in September. The first working group will be tactical and focus on improving statistics, educating judges on the importance of enforcement actions, and sensitizing the public to IPR issues. While the second working group was not addressed during the meeting, Argiropoulou has previously indicated to A/DepEcon that it will focus on studying Greek laws and regulations to see if any changes need to be made in order to improve IPR protection and enforcement.

[1](#)4. (SBU) Vassilokonstandakis briefly touched on the Special 301 Initiative, and indicated that the GoG would be happy to have increased engagement with the USG on IPR issues. In subsequent conversations, Argiropoulou indicated that the Special 301 Initiative measures would be given to the IMC for their consideration, along with measures passed to the GoG by industry. She did not commit the GoG to taking all the Special 301 measures on board, and said that it would have been more helpful to have the USG spell out its areas of

priority, rather than specific measures. She also questioned what "increased engagement" meant, and indicated that too much engagement with the USG risked distracting the IMC from its agenda.

-----  
Meeting with Business Software Alliance  
(BSA): More Publicity Needed  
-----

15. (SBU) On September 8, Business Software Alliance (BSA) Member Archontoula Papapanagiotou briefed Smith on the status of software piracy issues in Greece. Papapanagiotou reported that cooperation efforts between BSA and the tax police generally were going well; however, she outlined several additional steps that the GoG must take to reduce the level of business software piracy in Greece.

16. (SBU) First, Papapanagiotou emphasized that the tax police must send out the next wave of audit letters to over 3,000 smaller companies of 15-19 people. She stressed that the tax police must increase the number of controls (including audits) of companies. Companies fear YPEE audits, she said,

ATHENS 00001360 002.2 OF 004

since YPEE likely would extend its audit beyond the software license issue to the company's entire balance book. Therefore, the possibility of an YPEE raid or audit, she explained, will force companies to take the licensing issue seriously. Law enforcement on this issue has no teeth, Papapanagiotou complained, particularly as offenders are not brought to trial and prosecuted. (Comment: This is a critique directed towards a lack of political will on this issue and lack of effectiveness and expediency of the court system in Greece. End Comment.) Lastly, Papapanagiotou underlined that the tax police should move to publicize statistics of their process on their website.

17. (SBU) Papapanagiotou also highlighted the industry's growing concern over internet piracy. (Note: Greece has a very low internet penetration rate of only 11.15 percent of the population; however, this rate reflects almost a 70 percent increase over the prior year. As a result, internet piracy can become a large problem if it is not addressed at this early stage of Greece's internet growth. End Note.) She and other industry representatives believe Greece needs an amendment to the personal data protection law, which presently prohibits the gathering of information on its citizens, even if they are illegally downloading software or other copyrighted materials. Internet Service Providers (ISPs) are not allowed to disclose the names of companies or sites that are using software without the appropriate license. (Note: Although the GoG has privacy laws similar to the US, these laws may be considered even more restrictive than the US in certain circumstances. European Union Data Protection Directive (EUDPD) requires that all EU members adopt national regulations to standardize the protection of data privacy for citizens throughout the EU. While the GoG recognizes that piracy over the internet is a prominent and burgeoning concern, there is tension between the desire to enforce IPR and the desire to protect the rights of the individual. While many EU countries are struggling with this same issue, sensitivity in Greece is acute due to Greek historical experience during the years of military rule under the Junta. End Note.)

-----  
Meeting with IFPI: Show us the Money!  
-----

18. (SBU) In a meeting on September 9, the Association of Greek Producers of Phonograms, (IFPI) Irene Tsiliri and Panos Theofanellis presented a pessimistic image of GoG efforts to stem piracy of CDs and DVDs, pointing to the Greek Ministry of Justice (MOJ) as the primary problem. Although two warehouses were recently seized, Theofanellis said the MOJ's new "strategy" of only pursuing large copying and distribution centers (warehouses) is insufficient. Given the number of pirated goods and the proliferation of street vendors, he advocated a simultaneous focus on individual street vendors. Court actions are also necessary, he explained, noting that apprehended street vendors often returned to the exact location where they were originally arrested, thumbing their noses at the police. Moreover, due to technology gains, small apartments can be production sites for pirated DVDs and CDs, making it very difficult for authorities to find warehouse sites. One of the most active groups in pirated material is the "Nigerian mafia" in Greece.

9. (SBU) Moreover, IFPI takes a dim view of Greek recording artists, who hesitate to join the fight against the illegal distribution of their copyrighted material. The artists are reluctant to cause problems with their fans and believe that wider distribution, albeit illegal, will increase their fan base. Compounding these perceptions, Greek artists earn more money through performances than royalties from their music sales.

10. (SBU) Theofanellis said the upcoming December IMC meeting would not be effective and lamented that industry was not kept informed and updated on these proposed meetings. Despite some limited progress through the creation of the IMC and cooperation between the tax police with both IFPI and BSA, Theofanellis reiterated that there is no political will to champion the protection of copyrighted material. IFPI has joined with other industry representatives in Greece and presented the IMC with several written proposals without any feedback to date. IFPI has also paid for television spots in order to try to raise public awareness of IPR issues.

ATHENS 00001360 003.2 OF 004

11. (SBU) Like BSA, Theofanellis also brought up the urgency for the GoG to amend the data protection law for ISPs. He stated that IFPI's number one priority going forward will be on preventing internet piracy as Greeks begin to use this technology more and more.

-----  
Hellenic Copyright Office (OPI):  
Maneuvering through Greek sensitivities  
-----

12. (SBU) OPI Director Irini Stamatoudi told Smith on September 9 that it is her strong belief that following the European Court of Justice's decision on data protection, it would be very difficult for the GoG to proceed with a law that forces ISPs to disclose privacy data. Stamatoudi believes that this decision gives member countries some limited discretion on how to address the disclosure of privacy data. She noted that Greece is coming down on the side of protection of privacy data. Stamatoudi indicated that Greece is trying to follow what she described as the French model, where the burden to crack down on internet piracy would be placed on ISPs, but admitted that the French model may not work in Greece.

13. (SBU) For the first time since Greece was listed in the 2008 Special 301 Report, Stamatoudi expressed indignation and frustration with the USG's action and argued that this step has made it very difficult for OPI to continue to move forward on IPR issues. She said Greece was unfairly listed and blamed inaccurate statistics from industry. To solve this, she explained that the GoG will gather better statistics. Stamatoudi stressed that OPI has gone out of its way to work with all industry representatives in Greece, but this cooperative relationship was in danger because these industries were not legally registered in Greece. She said that OPI may choose to stop working with them until they register legally. (Comment: Stamatoudi is normally very pleasant and quite reasonable to Embassy staff as well as industry representatives in Greece. Her outburst against the Special 301 listing and industry registration was out of character and could be an indication that she is under pressure from elsewhere in the GoG to try to place pressure on industry. End Comment.)

-----  
Special Tax Police (YPEE): Solid Progress  
-----

14. (SBU) The new head of the Special Tax Police, Marios Tsakas, presented a very positive image of YPEE's efforts to combat software piracy. He also said that YPEE has levied a number of fines against companies, and promised to give the Embassy statistics on the number of audits conducted and fines levied. (Note: In a subsequent visit, the YPEE presented a page of complete statistics on the audits by YPEE. End Note.) Finally, confirming information from BSA, Tsakas said YPEE was getting ready to launch a new wave of letters to smaller companies. He also said YPEE would soon begin posting the statistics on their letter and audit campaign on YPEE's internet site.

-----  
Moving Forward on IPR  
-----

¶15. (SBU) Comment: The creation of an inter-ministerial committee is a solid start to getting senior-level attention to the problem. However, the GoG agrees that it take more concrete steps to show progress in the area of IPR. Particularly, it needs to get better statistics in the short-term and build a statistical database in the long-term. Although OPI was recognized as a solid performer in the 301 report, it has limited resources and educational and outreach efforts. The GoG needs to simultaneously apply serious enforcement measures with the Ministry of Justice and Interior in order to bring about greater movement on this issue. In a separate telephone conversation with

ATHENS 00001360 004.2 OF 004

Argiropoulou, A/DepEcon followed up on this linkage, noting that without concrete steps in the area of street and judicial enforcement, it will be very difficult to make a case for de-listing Greece this coming year.

¶16. (SBU) Another issue that GoG needs to address is the issue of closing down internet accounts that illegally download copyrighted material. While Stamatoudi indicated the GoG is trying to help bring the different parties -- such as the ISPs and the content providers-- together to form an agreement, the GoG will need to bring more pressure to bear on ISPs and will need to visit the viability of amending its data privacy law. End Comment.  
SPECKHARD